25 October 1983

KOPPEL: Good evening. I'm Ted Koppel, and this is Nightline. UNIDENTIFIED BROADCASTER (Radio Free Grenada): United States paratroopers invaded at 5:40 this morning. Our armed forces are engaging them in fierce battle. All Grenadians report immediately to our respective militia bass.

KOPPEL: The invasion of Grenada, more U.S. military men died today in another foreign country, as the Reagan administration turns to gunboat diplomacy. We'll talk tonight with Deputy Secretary of State Kenneth Dam, with the prime ministers of two Caribbean countries, whose troops are also on Grenada tonight and with the former deputy director of the CIA, Admiral Bobby Inman./

KOPPEL: Joining us now live in our New York studios is Admiral\Bobby\Inman, former deputy director of the CIA. In our Washington bureau is Seymour\Weiss, former director of the State Department's bureau of Political Military Affairs, and the former U.S. ambassador to the Bahamas. And also in Washington, the previous U.S. ambassador to Grenada, Sally\Shelton. She served in the post of ambassador to five east Caribbean nations, and special representative to five others. I'd like to begin, if I may, with Admiral Inman. Admiral, one of the things that I think has gotten a little bit lost in our discussion here this evening is why not so much Grenada, but the waters around Grenada are of strategic alue or importance to the United States. Would you give us a bit of a briefing there? ADM. BOBBY INMAN (Fmr Cia Deputy Director): As you'll see when you put your map back up, Grenada commands the approaches to the Panama Canal from the eastern Caribbean area. Uh, when the airfield first started being expanded, uh, there was substantial concern that it was more than was required simply for tourist trade on the island, that it looked, uh, from an outside observer, as though it was a field that was being prepared to use as a staging base. Uh, as you can see from looking at Grenada, even if, uh, Cuba was not available, planes coming from eastern Europe down across Africa to Grenada could easily move on into the Carib, (sic) to the Central American area. Uh, so the, the worries, when the intelligence community began some length of time ago about whether the island was being prepared for use, uh, for intervention elsewhere in the hemisphere.

KOPPEL: What about the amount of, uh, of supplies, of commerce and, and oil supplies that pass through that region? INMAN: Well, it's a very heavy area of interest. Again, if you just simply look south at, uh, at both Venezuela and across at Mexico, most of the oil from both of those countries flows across the area directly within the reach from Grenada.

KOPPEL: All right. I'm afraid that, that map isn't doing us a whole lot of good, but we, we get a sense of what you're talking about. All right, with all of that in mind, then, uh, without getting involved in, in loaded language or emotional language, uh, of any kind, uh, we probably, we the United States, we probably were looking for a good excuse to get in there and clean it out a little, wouldn't you think? INMAN: Earlier, when there were, uh, clearly some, lots of discussion about various options, uh, there were no excuses that were available. Uh, I was fascinated this morning by the presentation, particularly from Prime Minister Charles, and took it at absolute face value from someone who has served her country extraordinarily well, uh, that this, in fact, was an invitation not inspired by the U.S., from the concern of those countries. Uh, and there's some real basic questions here about how much are we

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Increasing Intelligence Awareness

Adm. Bobby R. Inman, USN (Ret.), President and Chief Executive Officer, Microelectronics and Computer Technology Corp., was previously Deputy Director, Central Intelligence Agency. Prior to that assignment, he served as Director, National Security Agency.

An interview with Adm. Bobby R. Inman USN (Ret.)

Q: AFCEA's role in increasing intelligence awareness is growing. Intelligence symposia and conferences are being held in Washington and in some AFCEA chapters throughout the nation. *SIGNAL* magazine has dedicated one issue per year to intelligence. AFCEA awards are provided for excellence in the study of intelligence in service schools. Do you see any other areas that AFCEA could pursue in improving intelligence awareness?

A: I had the privilege of being present when VAdm. Boyes hosted the first session with leaders from the intelligence community to discuss an expanded role of AFCEA: for the first time to have a major association specifically concentrate on intelligence as one of its areas of interest. There were many present that day who were skeptical, but I had some optimism about the role that AFCEA could play from my own experience with them on the question of public cryptography. I therefore have been very pleased to see the progress over these last several years. My judgment is that the pace is about right. I don't think one wants to try to undertake too many varied things before the intelligence community is comfortable with the role and also the industrial partners see some value for them. My recommendation is steady as you go.

Q: The AFCEA Professional Development Center has enjoyed excellent success in teaching classified courses in C^3 and military satellite communications. AFCEA has been examining the idea of offering a basic eight to 10 hour introductory course on intelligence to industry and those who would like to know more about how our military intelligence system is organized. The course could be unclassified or classified, according to content. How do you feel about this initiative?

A: I am approached frequently, particularly by officials of small companies who have a new idea, a new concept, a new product, that they believe has potential value to the U.S. intelligence community, but they don't know how to make contact to present it. It is clear that some courses explaining in simple direct ways the complex structure of the U.S. intelligence community and how to go about introducing new products, new concepts, new ideas, could play a very constructive role. I believe the introductory course could be unclassified. I do think that there is also a potential for a classified course in this area. From my perception of exchange over the last 10 years, I believe there is inadequate information currently available to industry about the potential uses of intelligence, particularly in the tactical arena. I would like to see some courses aimed at intelligence from the perspective of how it could be used to help industry focus better (or maybe it might even help the government focus better) on information need and information flow as opposed to who owns what specific piece of equipment.

Q: Do you believe the intelligence courses provided by the Defense Department should include some technical courses, say in computers and satellites, so that intelligence personnel will better understand the equipment they use?

A: Again, one needs to look back at history. The old Naval Intelligence course at the Naval Postgraduate School, which was conducted in Anacostia, was the nucleus for the long course at the Defense Intelligence School. The short courses were taught at an Army school in the Washington, D.C. area. They were serving fixed purposes, that is, training analysts and training collectors, human collectors of intelligence. There was minimal focus on technical intelligence collection or on analyzing weapons systems, scientific and intelligence data.

By 1972, my predecessor as Director of Naval Intelligence, RAdm. Earl Rectanus, had perceived the need for more formal technical education, at least for those who were going to be fulfilling key analytical roles in the Navy Scientific and Technical Intelligence Center as it was then called. He was the sponsor for the creation of a new intelligence course at the Naval Postgraduate School in Monterey, California, with a very heavy technical curriculum. There were many students who thought it was too technical and did not give them a sufficient broad base for subsequent roles. But, on balance, I think it has filled a void. I had hoped, over the years, that the other Services would ultimately use that school as well as the Navy. I believe there are roles for the Defense Intelligence College and

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for the technical curriculum at the Naval Postgraduate School as they are now established. I think there is also some utility in creating shorter courses at one of the institutions focusing on technical intelligence collection, analytical matters and how to help prospective users.

Q: Do you see the Soviet threat to the Free World lessened under Andropov?

A: The answer is no. Andropov has played a leading role in the formation of policy in the Soviet Union over the last 20 years. After he came back from his stint as Ambassador to Hungary, he served on the party Secretariat in charge of relations with governing Communist parties. He then moved to head the KGB for a long period of time to try to improve its effectiveness both at home and abroad. Throughout that period, he had a very close working relationship with Ustenov, who moved up from being in charge of defense production to ultimately being the defense minister. I do not believe there are any long-term policies in dealing with the outside world to which both Andropov and Ustenov have not been parties to in their formation. So I would be surprised if we saw any major new change in strategic direction in dealing with the outside world.

I think what we may see is faster tactical decisions: taking advantage of opportunities within the broad framework that is already established. When Vice President Bush went to Berlin and read a letter from the President, within 14 hours Andropov had a press conference to respond. That kind of quick response would have been unthinkable in the Breshnev era. I believe we are likely to see much more of the same. There may be some change in internal Soviet relationships and activities. Andropov has seen firsthand the corrosive effect of corruption on the society, and the economy. I believe he will make some efforts, within careful limits, to try and clean up the corruption, try to make the economy function in a more effective manner. He will have to move carefully so as not to threaten the power base which he now has, and which rests primarily on the defense establishment, the KGB and the party members who play key roles in both major operations. He is not a transition leader, but he is certainly not one in which we are likely to see any substantial lessening of the threat.

Q: We share an equal concern about technology transfer to the Soviet Union. Yet, there is a vital need to share amongst Free World Allies the advanced technology many are developing. How can we accomplish this objective of sharing without building a large, cumbersome, delaying bureaucracy?

A: The technology transfer issue is a very complicated matter. The Soviets have done a very skillful job of vacuum cleaning. The knowledge concerning technology development is always going to be available in a free society. Not only has that vacuum cleaning taken place in the United States, it has also occurred in western Europe and Japan. And in this day of modern alliances and multinational corporations with operations in many countries, it is simply not feasible to look at technology transfer as a U.S.-only problem. When we are looking at trying to block the flow of critical information to the Soviets, we have to focus on acceptable programs with our Allies as well as ones in the United States. That argues to me that you do not try to deal with technology transfer by avoiding transfer of technology to our Allies. They need technology transfer to build up their own military capabilities and to ultimately serve to keep the alliances stronger.

Q: Now that you have joined industry, would you give us your impression of the steps which might be taken to cut down the long delivery delay involved in high technology systems for defense: steps which would allow fuller advantage to be taken to deploy systems before the high technology turns obsolescent?

A: Frankly, it is going to require congressional action. We have been fascinated now for 20 plus years with questions such as "Is it cost effective?" and "Fly before buy"; all kinds of slogans that sounded great in their concepts, but have proven over time, I believe, to drive up the cost of defense substantially and to make it a far longer process in moving technology from the laboratories to operating systems in the hands of the deployed forces. We need to rethink many of the approaches that have been legislated. We need multiyear authorization appropriations as the fundamental first requirement: for not less than three years, preferably even five. That will go a long way towards moving us to buying in the most economical manner, rather than stretching out procurement simply to keep lines open in what often turns out to be the most uneconomical and most expensive manner.

It was a matter of great frustration to me when I was spending billions of U.S. taxpayers' money that I could not reward superior performance. When a company completed its contract, a very complex contract, on time and within dollars, I could not reward them by a follow-on contract. I had to go back in every case to competitive bidding. Not only was it less efficient, but it removed the incentive to industry to perform superbly.

Q: How will R&D projects of MCC (Microelectronics and Computer Technology Corportion) be selected?

A: R&D projects for MCC will be developed through internal mechanisms of the corporation. We have a Technical Advisory Board (TAB) composed of a senior technical person from each of the shareholding corporations. I chair it. The chief scientist will serve as the executive secretary. The TAB

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will look every six months at the status of progress in each of our own research projects. But they will spend much of their time scanning the horizon looking for new technology: determining if there is new technology that we ought to incorporate into ongoing programs, but more importantly deciding what additional programs the shareholders should undertake. The TAB will make recommendations and the Board of Directors must approve by substantial margin, for new programs to be undertaken.

Q: Where will MCC's technical work be done, in house, in universities or in facilities of member firms, or elsewhere? How will the place be determined?

A: MCC's technical work will, in very large measure, be done in-house at MCC facilities which are going to be established in Austin, Texas. We will not be a major source of funding for outside research, either at universities or other research houses. It is the first time on any sizeable scale that an effort has been undertaken in this country to pool technical smarts from the competing corporations, as well as their dollars, to try to produce breakthroughs in long-range research that none of the corporations would have been able to accomplish independently.

Q: Will results of R&D efforts of MCC be provided to all of the member firms?

A: Each shareholder, the funds and area of research will be licensed to produce the products that come out of the research in competition with one another. They will have a three year lead to get to the marketplace. After three years, we can license any other company. Shareholders who did not invest in an area of research get no advantage over outside companies in being licensed after the three years. A portion of the royalty income from that licensing process will go to helping those who invested initially recover their sunk costs. And another portion will be retained as the means by which we reward the individuals, direct hire employees of MCC and those individuals on loan from the corporations who have in fact come up with the intellectual property of the patents which let us make the right moves.

Q: How do you plan to balance the need for exchange of technical information between MCC scientists/engineers and others in the technical community with interests of MCC to project some technological data? What main criteria will be applied?

A: The need for exchange of technical information between MCC's scientists and engineers and others in the technical community will be a subject of great interest to us. There is a potential here that we can play a catalytic role in the information handling industry. A number of campuses have already expressed to me great interest that we try to play that role. So have companies that are not joining but that are going to be associates. We will structure from the outset to hold symposia to establish other means for technical exchange. But this is a privately held corporation. It will succeed in the long term only if the stockholders of the parent corporations end up making money from products which we develop and which are then marketed by thier own individual companies. That means we are ultimately going to have to protect the direct application of these ideas to ensure that they do get a return on their investment. It is proprietary data.

Q: Which areas of C^3 will MCC focus on?

A: MCC does not currently have a program for a project that would be directly described as being part of command, control, communications or intelligence. But our efforts at packaging integrated circuits, computer software technology, computer design and manufacturing and advanced computer design all offer the prospect of breakthroughs which could have significant impact.

Some of our shareholders have also expressed the view that we ultimately ought to develop some additional programs. One technical member has particularly focused on the telecommunications area as one area where we might ultimately do some additional research. It is simply too early to examine that. It will be about three years before we turn to the question.

Q: Are there any other areas you would like to discuss?

A: At the outset, this administration fulfilled a commitment that they would examine the status of U.S. intelligence and would support the development of a long-term program to rebuild the capabilities of the country. The President approved that plan for improving the intelligence capabilities of the United States 1985–1990 on December 19, 1981. And it had a major impact on the flow of resources, not only in amendments to the 82 budget but in the preparation of budgets for fiscal years 83 and 84.

The plan as it was laid out runs a full seven years to achieve a general level of capabilities in collection, that is, in analysis that we believe is essential for the United States to be properly supported, both at the strategic level nationally and support for the tactical operating forces. It is going to be critical to sustain the pace of that build-up. I see the pressures building for cutback in the percentage of overall funding for defense. I regret that, but I accept it as reality given the economic performance. But I think it is absolutely critical that we not take the usual approach of applying that cut in every direction without examining the need. I believe AFCEA can and should play a role and its members must play a role in ensuring that we keep the Congress on the right track, and that the plan which was laid out for rebuilding U.S. intelligence capabilities over the seven years not be stretched out or slackened, even as we are adjusting the annual percentage that we are going to invest overall in defense.

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